

# Claridge's Hotel Limited

Directors' report and financial statements

**For the year ended 30 June 2008**

*Registered number 29022*

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# Claridge's Hotel Limited

## Directors' report and financial statements

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# Claridge's Hotel Limited

## Directors and other information

### Directors

Stephen Alden  
Clive Gibbons  
Mark Hennebry  
Lisa Seelinger

### Secretary

Clive Gibbons

### Registered office

30 Old Burlington Street  
Mayfair  
London  
W1S 3AR

### Bankers

Barclays Bank PLC  
Business Banking Larger Business  
27<sup>th</sup> Floor  
1 Churchill Place  
London  
E14 5HP

### Auditors

KPMG  
Chartered Accountants  
1 Stokes Place  
St Stephen's Green  
Dublin 2

### Solicitors

DLA  
3 Noble Street  
London  
EC2V 7EE

# Claridge's Hotel Limited

## Directors' report

The directors present their report and the audited financial statements for the year ended 30 June 2008.

### Activities

The principal activity of the company is the ownership and operation of Claridge's Hotel.

### Review of developments and future prospects

The profit for the year before tax is £20.2 million (2007: £18.7 million). The profit and loss account is shown on page 10.

The directors expect that the present activity level will at least be sustained for the foreseeable future.

### Business review

The company maintained occupancy at 84% during 2008 (2007: 84%). Revenue per available room (RevPar) for the company increased by £42 to £404 (2007: £47 to £362). The key risk facing the company's performance for 2009 is a downturn in the global economy.

### Dividends

During the year no dividends have been paid or proposed (2007: Nil).

### Directors and their interests

The directors who held office during the year were as follows:

|                |                      |
|----------------|----------------------|
| Stephen Alden  |                      |
| Clive Gibbons  |                      |
| Mark Hennebry  |                      |
| Lisa Seelinger | Appointed 13/03/2008 |
| Paul Reynolds  | Resigned 14/03/2008  |
| Sara Edwards   | Resigned 21/12/2007  |

The directors and secretary do not hold any material interests in the shares of the company or any other company in the group.

### Employees

The company's policy is to give full and fair consideration to the recruitment of disabled persons having regard to their particular aptitudes and abilities. Appropriate training will be arranged for disabled persons. The company's personnel policies ensure that all its employees are made aware, on a regular basis, of the company's policies, programmes and progress.

### Creditor payment policy

The payment policy of the company is to pay all purchases within thirty days of the end of the month. The payment policy applies to all payments to creditors/suppliers for revenue and capital supplies of goods and services without exception.

# Claridge's Hotel Limited

## Directors' report *(continued)*

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Political and charitable contributions**

The company made no political contributions during the period and no donations to charities.

### **Auditors**

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board.

Director 

24th April 2009

# Claridge's Hotel Limited

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards, and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board

Director 

24th April 2009





**KPMG**  
**Chartered Accountants**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

## **Independent auditor's report to the members of Claridge's Hotel Limited**

We have audited the financial statements of Claridge's Hotel Limited for the year ended 30 June 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.



## Independent auditor's report to the members of Claridge's Hotel Limited *(continued)*

### Opinion

In our opinion;

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended.
- the financial statements have been properly prepared in accordance with the companies Act 1985.
- the information given in the directors' report is consistent with the financial statements.

KPMG

*Chartered Accountants  
Registered Auditor*

28 April 2009

# Claridge's Hotel Limited

## Statement of accounting policies *for the year ended 30 June 2008*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

### **Basis of preparation**

The financial statements are prepared in accordance with applicable accounting standards under the historical cost accounting rules.

### **Cash flow statement**

The company's ultimate parent undertaking publishes financial statements which are publicly available. Those financial statements include a consolidated cash flow statement. For this reason the exemption requirements of FRS 1 (Revised) "Cash Flow Statements" are met and the company has therefore not prepared a cash flow statement.

### **Group accounts**

The company is exempt from the obligation to prepare consolidated accounts by virtue of section 228 of the Companies Act 1985 in that it is a wholly owned subsidiary of its ultimate parent and controlling undertaking which itself prepares group accounts which are publicly available. These financial statements are therefore entity financial statements and are not consolidated financial statements.

### **Turnover**

Turnover represents income from hotel and restaurant operations, excludes value added tax and is recognised on provision of the related service. Turnover is derived solely from UK operations.

### **Capitalisation of interest**

Interest attributable to progress payments made on construction work-in-progress is capitalised and included in the cost of fixed assets. Interest is calculated by reference to specific borrowings where applicable or calculated at the weighted average interest rate for the pool of borrowings funding that particular project. Capitalisation of interest ceases when substantially all the activities that are necessary to bring the tangible fixed asset into use are complete.

### **Tangible fixed assets**

Tangible fixed assets are held at cost. Expenditure on development of the company's hotel and restaurants, including major replacement and improvement of assets, is disclosed as Land and Buildings, Plant, Machinery, Fixtures and Fittings. Land and Buildings includes the costs associated with structural improvements to freehold and long-term leasehold properties. The cost of replacement of glass and china and other certain loose equipment of hotels and restaurants is charged to revenue in the year in which it is incurred.

# Claridge's Hotel Limited

## Statement of accounting policies *(continued)*

### **Depreciation**

Depreciation is not charged on freehold property as the group has a policy and practice of disposing of assets well before the end of their economic lives and the disposal proceeds of similar assets have not been materially less than their carrying amounts.

As a result, on an annual basis the Group estimates the recoverable amount of its hotel properties based on the higher of their net realisable values or the present values of future cash flows expected to result from their use. Where the recoverable amount is less than the carrying amount of the hotel properties the Group recognises an impairment loss in the profit and loss account.

Other fixed assets are stated at cost less accumulated depreciation. No depreciation is charged on archive materials and manuscripts however as they are maintained in good condition and they are expected to have a high residual value.

Depreciation of other tangible assets is provided on a straight-line basis over the following useful lives:

|                       |                        |
|-----------------------|------------------------|
| Plant and machinery   | between 4 and 20 years |
| Fixtures and fittings | between 5 and 20 years |

### **Investment in subsidiary undertakings**

Investments in subsidiary undertakings are stated at cost less any provision for impairment in value.

### **Stocks**

Stocks are valued at the lower of cost and net realisable value.

### **Deferred taxation**

Deferred taxation is provided in full on an undiscounted basis on timing differences that result in an obligation to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law and on an undiscounted basis. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

### **Leasing**

Assets acquired under finance leases are included under the relevant category of tangible fixed assets and depreciated accordingly. The capital element of future lease rentals payable is included as appropriate under creditors due within or after more than one year. The interest element of lease rentals is charged to the profit and loss account. Rentals under operating leases are charged to the profit and loss account, as incurred, over the terms of the leases.

# Claridge's Hotel Limited

## Statement of accounting policies (*continued*)

### **Pension and other post retirement benefits**

The company is a participating member of a larger group defined benefit pension scheme, the Maybourne Hotels Group Pension and Life Insurance Scheme, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis and therefore, as permitted by FRS 17 'Retirement benefits', the scheme has been accounted for in these financial statements, as if the scheme was a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

# Claridge's Hotel Limited

## Profit and loss account for the year ended 30 June 2008

|  | <i>Note</i>  | <b>2008<br/>£'000</b> | <b>2007<br/>£'000</b> |
|--|--------------|-----------------------|-----------------------|
| <b>Turnover</b>                                      | <i>1</i>     | <b>52,447</b>         | 47,550                |
| Cost of sales  |              | <b>(14,914)</b>       | (12,947)              |
|  |              | <hr/>                 | <hr/>                 |
| <b>Gross profit</b>                                  |              | <b>37,533</b>         | 34,603                |
| Administrative expenses                              |              | <b>(17,299)</b>       | (15,892)              |
|  |              | <hr/>                 | <hr/>                 |
| <b>Operating profit</b>                              | <i>3</i>     | <b>20,234</b>         | 18,711                |
|  |              | <hr/>                 | <hr/>                 |
| <b>Profit on ordinary activities before taxation</b> |              | <b>20,234</b>         | 18,711                |
| Tax credit on profit on ordinary activities          | <i>4</i>     | <b>314</b>            | 8,533                 |
|  |              | <hr/>                 | <hr/>                 |
| <b>Profit for the financial year</b>                 | <i>12/13</i> | <b>20,548</b>         | 27,244                |
|  |              | <hr/>                 | <hr/>                 |

The company had no recognised gains or losses in the financial period or in the preceding financial period other than those dealt with in the profit and loss account. All activities in the current and preceding periods are derived from continuing operations.

# Claridge's Hotel Limited

## Balance sheet at 30 June 2008

|   | Note | 2008<br>£'000 | 2007<br>£'000 |
|---|------|---------------|---------------|
| <b>Fixed assets</b>                                   |      |               |               |
| Tangible assets                                       | 5    | 194,525       | 191,542       |
| Financial assets                                      | 6    | 150           | 150           |
|   |      | <hr/>         | <hr/>         |
|   |      | 194,675       | 191,692       |
| <b>Current assets</b>                                 |      |               |               |
| Stocks  | 7    | 1,080         | 1,072         |
| Debtors   | 8    | 83,343        | 61,299        |
| Cash at bank and in hand                              |      | 49            | 129           |
|   |      | <hr/>         | <hr/>         |
|   |      | 84,472        | 62,500        |
| <b>Creditors: amounts falling due within one year</b> | 9    | (14,207)      | (9,800)       |
|   |      | <hr/>         | <hr/>         |
| <b>Net current assets</b>                             |      | 70,265        | 52,700        |
|   |      | <hr/>         | <hr/>         |
| <b>Total assets less current liabilities</b>          |      | 264,940       | 244,392       |
| <b>Provisions for liabilities and charges</b>         |      |               |               |
| Deferred taxation                                     | 10   | -             | -             |
|   |      | <hr/>         | <hr/>         |
| <b>Net assets</b>                                     |      | 264,940       | 244,392       |
|   |      | <hr/>         | <hr/>         |
| <b>Capital and reserves</b>                           |      |               |               |
| Called up share capital                               | 11   | 2,862         | 2,862         |
| Share premium account                                 | 12   | 3,128         | 3,128         |
| Revaluation reserve                                   | 12   | 137,423       | 137,423       |
| Other reserves  | 12   | 24,611        | 24,611        |
| Profit and loss account                               | 12   | 96,916        | 76,368        |
|   |      | <hr/>         | <hr/>         |
| <b>Total shareholders' funds</b>                      | 13   | 264,940       | 244,392       |
|   |      | <hr/>         | <hr/>         |

These financial statements were approved by the Board of Directors on 24th April 2009

Signed on behalf of the Board of Directors

Director



24th April

2009

# Claridge's Hotel Limited

## Notes

*forming part of the financial statements*

### 1 Turnover

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Hotel, restaurant and ancillary business receipts | 52,447        | 47,550        |
| All turnover arises in the U.K.                   |               |               |

### 2 Information regarding directors and employees

|  | 2008<br>No. | 2007<br>No. |
|--|-------------|-------------|
| Average monthly number of persons employed (excluding directors) |             |             |
| Hotel and administration   | 471         | 460         |
| <b>Staff costs during the year (excluding directors)</b>         |             |             |
| Wages and salaries   | 8,338       | 7,548       |
| Social security costs  | 750         | 654         |
| Pension costs  | 189         | 167         |
|  | 9,277       | 8,369       |

The directors receive no remuneration for their services to this company.

### 3 Operating profit

|  | 2008<br>£'000 | 2007<br>£'000 |
|--|---------------|---------------|
| Operating profit is stated after charging: |               |               |
| Operating leases:                          |               |               |
| Plant and machinery                        | 54            | 49            |
| Other assets                               | 21            | 25            |
| Auditors' remuneration – audit services    | 25            | 25            |
| Depreciation – owned assets                | 1,132         | 763           |



# Claridge's Hotel Limited

## Notes *(continued)*

### 4 Tax credit on profit on ordinary activities

|  | 2008<br>£'000 | 2007<br>£'000 |
|--|---------------|---------------|
| UK corporation tax for the year at 28% (2007: 30%)<br>based on the profit for the period | -             | -             |
| Deferred tax credit  |               |               |
| Timing differences: origination and reversal   |               |               |
| Current year   | 334           | 197           |
| Adjustment in respect of prior years   | (20)          | 8,336         |
|  | <hr/>         | <hr/>         |
| <b>Tax credit on profit on ordinary activities</b>                                       | <b>314</b>    | <b>8,533</b>  |
|  | <hr/>         | <hr/>         |



# Claridge's Hotel Limited

## Notes (continued)

### 4 Tax charge on profit on ordinary activities (continued)

#### Factors affecting corporation tax charge for the current period

The corporation tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK of 28% (2007: 30%).

The differences are explained below:

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Profit on ordinary activities before tax                | 20,234        | 18,711        |
| Tax at 28% (2007: 30%) thereon:                         | 5,666         | 5,613         |
| Effect of:  |               |               |
| Capital allowances in excess of qualifying depreciation | 317           | 214           |
| Group relief received for nil consideration             | (6,844)       | (6,445)       |
| Other timing differences (deferred tax provided)        | 17            | (17)          |
| Other permanent differences                             | 1,053         | 831           |
| Expenses not deductible for tax purposes                | (209)         | (211)         |
| Other – difference in tax rates                         | -             | 15            |
| <b>Current tax charge for the year</b>                  | <b>-</b>      | <b>-</b>      |

#### Factors that may affect the future tax charge

Deferred tax has not been provided on the difference between the carrying value and the tax basis of fixed assets. This tax will only become payable if the assets are sold and rollover relief is not obtained. The estimated amount of tax that would become payable in these circumstances is £37.3 million.

Deferred tax has not been provided in respect of gains realised that have been rolled over into the acquisition cost of replacement assets. This tax will become payable if the replacement assets are sold and further rollover relief is not available. The estimated amount of tax that would become payable in these circumstances is £1 million.

# Claridge's Hotel Limited

## Notes (continued)

### 5 Tangible fixed assets

|                                 | Freehold<br>land and<br>buildings<br>£'000 | Assets under<br>course of<br>construction<br>£'000 | Fixtures,<br>fittings,<br>tools and<br>equipment<br>£'000 | Total<br>£'000 |
|---------------------------------|--|--|---|----------------|
| <b>Cost or valuation</b>        |  |  |   |                |
| As at 1 July 2007               | 178,642                                    | 3,696  | 25,933  | 208,271        |
| Additions                       | -  | 4,115  | -   | 4,115          |
| Reclassification                | -  | (2,678)  | 2,678   | -              |
| <b>At 30 June 2008</b>          | <b>178,642</b>                             | <b>5,133</b>                                       | <b>28,611</b>   | <b>212,386</b> |
| <b>Accumulated depreciation</b> |  |  |   |                |
| As at 1 July 2007               | -  | -  | 16,729  | 16,729         |
| Charge for the year             | -  | -  | 1,132   | 1,132          |
| <b>At 30 June 2008</b>          | <b>-</b>                                   | <b>-</b>   | <b>17,861</b>   | <b>17,861</b>  |
| <b>Net book value</b>           |  |  |   |                |
| <b>At 30 June 2008</b>          | <b>178,642</b>                             | <b>5,133</b>                                       | <b>10,750</b>   | <b>194,525</b> |
| <b>At 30 June 2007</b>          | <b>178,642</b>                             | <b>3,696</b>                                       | <b>9,204</b>  | <b>191,542</b> |

The hotel property which the company occupies is carried at the value attributed to it at 31 December 1998 as adjusted for any additions at historic cost.

Borrowings of the company's ultimate parent, Coroin Limited, and other group companies, are secured by a fixed and floating charge over the assets of the company.

# Claridge's Hotel Limited

## Notes (continued)

### 6 Financial fixed assets - investment in subsidiary undertakings

|                                   | 2008<br>£'000 | 2007<br>£'000 |
|-----------------------------------|---------------|---------------|
| <i>At cost and net book value</i> |               |               |
| At beginning and end of year      | 150           | 150           |

The subsidiary undertakings are as follows:

| Subsidiary undertaking       | Country of incorporation | Activity        | Shareholding |
|------------------------------|--------------------------|-----------------|--------------|
| A Goody Rewarded Ltd         | Great Britain            | Dormant Company | 100%         |
| Claridge's Hotel (42000) Ltd | Great Britain            | Dormant Company | 100%         |

### 7 Stocks

|                               | 2008<br>£'000 | 2007<br>£'000 |
|-------------------------------|---------------|---------------|
| Raw materials and consumables | 1,080         | 1,072         |

The directors are of the opinion that the net realisable value of stock is greater than the carrying value.

### 8 Debtors

|                                 | 2008<br>£'000 | 2007<br>£'000 |
|---------------------------------|---------------|---------------|
| Trade debtors                   | 5,724         | 4,249         |
| Other debtors                   | 457           | 430           |
| Amounts owed by group companies | 75,194        | 55,415        |
| Prepayments and accrued income  | 795           | 346           |
| Deferred tax asset (Note 10)    | 1,173         | 859           |
|                                 | 83,343        | 61,299        |

All amounts are due within one year.



# Claridge's Hotel Limited

## Notes (continued)

### 9 Creditors: amounts falling due within one year

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Bank overdraft                          | 288           | 73            |
| Trade creditors                         | 2,673         | 1,948         |
| Amounts owed to group companies         | 1,934         | 43            |
| Amounts owed to subsidiary undertakings | 150           | 150           |
| Amounts owed to parent undertaking      | 4,000         | 4,000         |
| Other taxes and social security         | 1,735         | 1,855         |
| Other creditors                         | 287           | 328           |
| Accruals and deferred income            | 3,140         | 1,403         |
|   | <u>14,207</u> | <u>9,800</u>  |

### 10 Deferred tax (asset)/liability

|  | 2008<br>£'000  | 2007<br>£'000 |
|--|----------------|---------------|
| <b>Movement in deferred tax provision</b>      |                |               |
| Opening deferred tax (asset)/liability         | (859)          | 7,674         |
| Credit to the profit and loss account (Note 4) | (314)          | (8,533)       |
|  | <u>(1,173)</u> | <u>(859)</u>  |

|  | 2008<br>£'000  | 2007<br>£'000 |
|--|----------------|---------------|
| <i>Analysis of deferred tax balance;</i>     |                |               |
| Capital allowances in excess of depreciation | (1,151)        | (855)         |
| Short term timing differences                | (22)           | (4)           |
|  | <u>(1,173)</u> | <u>(859)</u>  |

# Claridge's Hotel Limited

## Notes (continued)

### 11 Called up share capital

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| <b>Authorised:</b>                        |               |               |
| 50,000,000 ordinary shares of 10p each    | 5,000         | 5,000         |
| <b>Called up, allotted and fully paid</b> |               |               |
| 28,615,873 ordinary shares of 10p each    | 2,862         | 2,862         |

### 12 Reserves

|                        | Share<br>Premium<br>£'000 | Revaluation<br>reserve<br>£'000 | Other<br>reserves<br>£'000 | Profit<br>and loss<br>account<br>£'000 | Total<br>£'000 |
|------------------------|---------------------------|---------------------------------|----------------------------|--|----------------|
| At 1 July 2007         | 3,128                     | 137,423                         | 24,611                     | 76,368                                 | 241,530        |
| Profit for the year    | -                         | -                               | -                          | 20,548                                 | 20,548         |
| <b>At 30 June 2008</b> | <b>3,128</b>              | <b>137,423</b>                  | <b>24,611</b>              | <b>96,916</b>                          | <b>262,078</b> |

### 13 Reconciliation of movement in shareholders' funds

|                               | 2008<br>£'000  | 2007<br>£'000  |
|-------------------------------|----------------|----------------|
| At start of year              | 244,392        | 217,148        |
| Profit for the financial year | 20,548         | 27,244         |
| <b>At end of year</b>         | <b>264,940</b> | <b>244,392</b> |

### 14 Capital commitments

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Capital commitments (land and buildings):       |               |               |
| Contracted but not provided for in the accounts | 891           | 699           |



# Claridge's Hotel Limited

## Notes (continued)

### 15 Operating lease commitments

At 30 June 2008 the company was committed to making the following payments during the next period in respect of operating leases:

|   | 2008<br>£'000 | 2007<br>£'000 |
|---|---------------|---------------|
| Operating lease commitments (other assets)      |               |               |
| Expiring:                                       |               |               |
| - within one year                               | -             | 10            |
| - in two to five years                          | 39            | 12            |
|   | <hr/>         | <hr/>         |
|   | 39            | 22            |
|   | <hr/>         | <hr/>         |
| <b>Commitments under non-cancellable leases</b> | <b>39</b>     | <b>22</b>     |
|   | <hr/>         | <hr/>         |

### 16 Pensions and similar obligations

Claridge's Hotel Limited is a participating employer in two pension schemes. The Maybourne Hotels Group pension and life insurance scheme, a defined benefit scheme, which has two sections – Staff and Senior Staff section was closed to new entrants with effect from 1 August 2006. The Maybourne Stakeholder Scheme, a defined contribution scheme, was introduced on 1 August 2006 and is open to all staff if they meet the eligibility criteria. The company actively encourages staff to join the scheme as it believes that it is an important element of the remuneration package. This is disclosed fully in the consolidated accounts of Coroin Limited.

The directors are unable to identify the company's share of the scheme assets and liabilities as;

- Most scheme members have worked for more than one company within the group. The group structure has also changed materially over time due to restructurings, acquisitions and disposals. It is therefore not appropriate to allocate assets and liabilities between the participating companies.
- For funding purposes, the employers within the group share actuarial risks. The determination of cash contributions does not separately identify assets and liabilities for individual participating companies and all employers pay the same contribution rate in respect of accruing benefits. Contributions in respect of the past service deficit are paid separately by another group company.

As a result it is accounted for as a defined contribution scheme. The scheme is currently in deficit and it is expected that contributions will be increased to reduce the deficit. At 30 June 2008 this deficit, calculated in accordance with FRS 17, amounted to £4.4 million (30 June 2007: £4.1 million). Full details of the scheme are disclosed in the accounts of Coroin Limited.

## Notes *(continued)*

### **17 Related party disclosures**

The company is exempt under the provisions of paragraph 3, Financial Reporting Standard 8 "Related Party Disclosures" from disclosing details of transactions with Group related parties.

### **18 Ultimate parent company**

The company's ultimate parent company is Coroin Limited, a company incorporated in Great Britain and registered in England and Wales. This is the smallest and largest group in which the results of the company are consolidated. Copies of those statutory accounts will be available from its registered office, 30 Old Burlington Street, Mayfair, London, W1S 3AR.